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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re:	:	Chapter 11
	:	Case Nos. 00-_____
RANDALL'S ISLAND FAMILY GOLF	:	through 00-_____
CENTERS, INC., <u>et al.</u> ,	:	
	:	(Jointly Administered)
Debtors.	:	
	:	
- - - - -	x	

MOTION PURSUANT TO SECTIONS 361, 362, 363 AND
364 OF THE BANKRUPTCY CODE AND RULE 4001 OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR ENTRY
OF ORDERS (I) AUTHORIZING THE DEBTORS-IN-
POSSESSION TO (A) OBTAIN POSTPETITION FINANCING,
(B) GRANT LIENS AND PRIORITY ADMINISTRATIVE
EXPENSE STATUS, (C) MODIFY THE AUTOMATIC STAY,
AND (D) ENTER INTO FINANCING AGREEMENT;
(II) APPROVING USE OF CASH COLLATERAL AND
AUTHORIZING ADEQUATE PROTECTION; AND
(III) SCHEDULING FINAL HEARING ON POSTPETITION
FINANCING AND USE OF CASH COLLATERAL AND
APPROVING FORM AND MANNER OF NOTICE OF SUCH
FINAL HEARING

TO THE HONORABLE JUDGES OF THE UNITED STATES BANKRUPTCY
COURT FOR THE SOUTHERN DISTRICT OF NEW YORK:

The above-captioned debtors and debtors-in-possession
(collectively, the "Debtors") hereby submit this motion (the
"Motion") pursuant to sections 361, 362, 363, and 364 of title 11

of the United States Code (the "Bankruptcy Code") and Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for orders:

(a) authorizing the Debtors, after an interim hearing on this Motion (the "Interim Hearing"), to obtain on an emergency basis interim postpetition financing (the "Postpetition Financing") pursuant to the terms of the Postpetition Loan and Security Agreement, dated as of May 4, 2000 (the "Financing Agreement"), substantially in the form attached to the Motion as Exhibit A, among the Debtors and General Motors Employees Global Group Pension Trust, and Department of Pension-City of Los Angeles, investment advisory clients of Magten Asset Management Corp., and Pacholder Value Opportunity Fund, L.P., an investment advisory client of Pacholder Associates, and Dominic Chang, Chairman and CEO of the Debtors ("Mr. Chang"), and such other person, firms or entitled and/or their affiliates that may wish to join in as postpetition lenders (collectively, the "Postpetition Lenders"), which provides for up to \$4 million in interim financing for the Debtors;

(b) granting the Postpetition Lenders (i) pursuant to section 364(c)(1) of the Bankruptcy Code, superpriority administrative claim status with respect to the indebtedness incurred by the Debtors under the Postpetition Financing (subject to the Fee Carve-Out (as defined in Paragraph __ below)); and (ii) pursuant to sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code, as applicable, (A) a first priority lien on

certain fee, leasehold and concession interests for the properties listed on Exhibit B to this Motion, subject to the Fee Carve Out, (B) a first priority lien on all avoidance actions under section 544 through 550 of the Bankruptcy Code, subject to the Fee Carve Out, and (C) a first priority lien on all other assets of the Debtors, real and personal, if any whether now owned or hereafter acquired (the "Collateral"), subject and subordinated only to: (x) any and all valid and perfected senior liens existing as of the Filing Date (as defined below) granted to the Debtors' prepetition lenders as set forth in Exhibit D to this Motion (the "Non-Chase Lenders"), and the lenders (the "Chase Lenders") under that certain Amended and Restated Credit, Security, Guaranty and Pledge Agreement, dated as of October 15, 1999 (the "Amended and Restated Credit Agreement"), by and among the Debtors and the Chase Lenders, and the liens of prepetition lenders other than Chase (the "Non-Chase Lenders") but only to the extent that such liens exist and are valid and perfected liens, plus all other senior liens permitted under the terms and conditions of the Financing Agreement (all such Pre-Filing Date liens are hereafter collectively referred to as "Permitted Liens"); and (y) the Fee Carve-Out;

(c) modify the automatic stay provisions of section 362 of the Bankruptcy Code to the extent necessary to permit the Postpetition Lenders to implement the terms and provisions of the Postpetition Financing and the provisions of the Interim and Final Orders;

(d) pursuant to section 363 of the Bankruptcy Code and Rules 4001(b) and 4001(d) of the Bankruptcy Rules, approving the use of the Cash Collateral of the Chase Lenders and the Non-Chase Lenders on an interim and final basis;

(e) authorizing adequate protection in the form of (i) replacement liens to the Chase Lenders to the extent that the use by the Debtors of their prepetition collateral (including Cash Collateral (as defined below)) results in a decrease in the value of the Chase Lenders' liens in that prepetition collateral; and (ii) current interest payments at the contract rate to the Non-Chase Lenders to the extent that the use of their prepetition collateral (including Cash Collateral) results in a decrease in the value of the Non-Chase Lenders' liens in that prepetition collateral. "Cash Collateral" consists of the proceeds, profits, products, offspring, rents or profits of assets in which the prepetition lenders of the Debtors may have valid and perfected liens;

(f) authorizing the Debtors after a final hearing on this Motion (the "Final Hearing") to obtain the Postpetition Financing in an amount up to \$15 million, pursuant to the terms of the Financing Agreement; and

(g) scheduling and approving the form and manner of notice of the Final Hearing to consider the relief requested herein.

In support of this Motion the Debtors rely on the Affidavit of Dominic Chang in Support of the Debtors' Motion for

Orders Pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure (I) Authorizing the Debtors-In-Possession to (A) Obtain Post-Petition Financing, (B) Grant Liens and Priority Administrative Expense Status, (C) Modify the Automatic Stay; and (D) Enter Into Financing Agreement; (II) Approving Use of Cash Collateral and Authorizing Adequate Protection; and (III) Scheduling Final Hearing on Postpetition Financing and Use of Cash Collateral and Approving Form and Manner of Notice of Such Final Hearing. In addition, the Debtors respectfully represent as follows:

Preliminary Statement

1. By this Motion, the Debtors seek approval from this Court of a financing package that presents the best opportunity for the Debtors to reorganize their businesses. This financing package consists of two parts -- one, the Debtors' use of Cash Collateral generated by their business operations, and two, a committed line of postpetition financing that serves as a "standby liquidity facility" for the Debtors, which is designed to ensure that the Debtors can operate in the ordinary course during these chapter 11 cases in the event that there is a shortfall in projected revenues by reason of unexpected business fluctuations.

2. As described in greater detail below, based on the Debtors' eighteen month cash forecast during these chapter 11 cases, the Debtors project that their businesses will have a

positive cash flow for the eighteen month period commencing on the Filing Date. In return for the use of the Cash Collateral, the Debtors propose to provide adequate protection to certain undersecured prepetition lenders with replacement liens and to certain fully-secured prepetition lenders with current interest payments at the contract rate on outstanding indebtedness.

3. While the Debtors' use of Cash Collateral is clearly important, it cannot stand alone. The postpetition financing serves as a "back-up system" that provides the Debtors with an alternative source of liquidity in the event that actual business operations do not generate the projected revenues. According to the Debtors' projections, which assume that the Debtors can use Cash Collateral on the terms described herein, there will not be a need, absent unforeseen circumstances, to draw down on the postpetition financing. The Debtors, however, still need to put the committed line of postpetition financing into place. At this critical juncture -- the commencement of the Debtors' chapter 11 cases -- the Debtors must instill confidence in vendors and customers with respect to their businesses and also fortify employee morale. The postpetition financing is designed to serve that purpose.

4. In sum, the financing package presented in this Motion represents the best opportunity for the Debtors to keep their businesses viable, maintain their going-concern value and maximize the likelihood of a successful reorganization. Permitting the Debtors to use Cash Collateral will give the

Debtors access to the cash flow that has been and is going to be generated by their ongoing business operations. In addition, according to the Debtors' projections, the Debtors will incur only minimal costs associated with postpetition borrowing if they are able to use the Cash Collateral. The Debtors believe that the financing package for which they are seeking approval is the best available financing to address their needs. For instance, if approved, the Debtors will be able to avoid unnecessary disputes because the lenders under the postpetition financing do not seek to prime any prepetition lenders. Instead, the Debtors intend to provide first priority liens to their postpetition lenders only on certain leasehold, fee and concession interests which the Debtors believe are not subject to valid and perfected liens.¹ Moreover, the Debtors believe that the existence of a \$15 million committed line of postpetition financing will instill greater confidence in vendors and customers with respect to the strength and viability of the Debtors' businesses. This greater confidence will, in turn, assist the Debtors in restoring normalized business operations and thereby enable the Debtors to have an opportunity for a successful reorganization.

¹ As described in more detail in this Motion, the Debtors believe that the Chase Lenders have failed to perfect their security interests in a number of properties and, as a consequence, their liens are avoidable and the Debtors have the right to grant liens on those properties to the Postpetition Lenders under section 364.

Introduction

5. By this Motion, the Debtors seek interim, and thereafter final, orders of this Court authorizing the Debtors to, among other things, obtain debtor-in-possession financing from the Postpetition Lenders and approving the Debtors' use of the Cash Collateral.

6. This Motion contemplates a two step procedure whereby this Court would:

(i) at the conclusion of the Interim Hearing, enter an order, substantially in the form of the order attached as Exhibit C to this Motion (the "Interim Order"), authorizing the Debtors to, among other things, obtain a portion of the Postpetition Financing and approving the Debtors' use of the Cash Collateral, on an emergency basis authorizing and granting adequate protection as necessary, pending the Final Hearing; and

(ii) at the conclusion of the Final Hearing, enter an order (the "Final Order") granting the Debtors full authority to obtain all credit available under the Postpetition Financing, to use the Cash Collateral and to authorize and grant adequate protection as necessary.

7. Because of the exigent circumstances of the Debtors' finances and the nature of the relief requested, the Debtors request that the Interim Hearing on the Motion take place on the Filing Date. Prompt entry of the Interim Order on the

Filing Date is essential to avoid immediate and irreparable harm to the Debtors' estates pending the Final Hearing. As described more fully below, the Debtors have filed these chapter 11 cases in order to obtain adequate funding for their day-to-day operations and to allow the Debtors to finance their operations while they develop a plan for emergence from chapter 11.

Moreover, approval of the Postpetition Financing is necessary to serve as a focal point for instilling confidence in trade vendors, customers and employees. Thus, failure to approve the Postpetition Financing could jeopardize the Debtors' ability to operate in the ordinary course and to generate revenues from their day-to-day operations. If the Postpetition Financing is not authorized, the Debtors would be irreparably harmed.

8. In addition, as discussed in greater detail below, the Debtors need to use the Cash Collateral to maintain their business operations and protect their ability to reorganize in accordance with chapter 11 of the Bankruptcy Code. The Debtors intend to provide adequate protection to the Chase Lenders by providing replacement liens to the Chase Lenders and to the Non-Chase Lenders by making current interest payments at the contract rate, in each case, pursuant to section 361 of the Bankruptcy Code. The Debtors believe that both the Chase Lenders and Non-Chase Lenders will be fully and adequately protected in respect of their security interests.

Background

9. On the date hereof (the "Filing Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Concurrently herewith, the Debtors filed a motion seeking joint administration and consolidation of the Debtors' chapter 11 cases for procedural purposes only. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their properties as debtors-in-possession.

10. The Debtors operate golf, ice skating and family entertainment centers throughout North America. As of the Filing Date, the Debtors owned and/or operated 100 golf facilities and 17 ice skating and family entertainment centers.

11. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A),(D) and (M), in that it is a matter concerning the administration of the Debtors' estates and a matter involving obtaining credit and the use of Cash Collateral.

Prepetition Indebtedness

12. Prior to the Filing Date, the Debtors financed growth in their operations through a variety of means, including, as described in more detail below, indebtedness incurred by the Debtors under both secured and unsecured loan facilities and the issuance of convertible subordinated notes.

The Chase Manhattan Bank Facility

13. On December 2, 1998, the Debtors entered into a \$100 million revolving credit facility (the "Original Credit Facility") with the Chase Lenders and The Chase Manhattan Bank ("Chase"), as agent. The Debtors' obligations under the Original Credit Facility were secured only by a pledge of the outstanding capital stock of Family Golf Centers, Inc.'s ("Family Golf") domestic subsidiaries and 66% of the outstanding capital stock of its foreign subsidiaries. Family Golf's subsidiaries also guaranteed the obligations. At the time the Chase Lenders were not granted a security interest in any other properties or assets of the Debtors.

14. The Debtors and the Chase Lenders amended and restated the Original Credit Facility, for various reasons, on December 8, 1998, December 31, 1998, April 30, 1999 and July 19, 1999. The Chase Lenders did not receive any additional security from the Debtors as a result of such amendments.

15. On August 12, 1999, the Chase Lenders granted to the Debtors, for a \$250,000 fee and an increase in interest rates on the outstanding indebtedness, a temporary waiver of the Debtors' non-compliance with substantially all of the financial covenants under the Original Credit Facility, as amended, until October 5, 1999, subject to earlier expiration under certain circumstances. During this period, the Debtors continued their discussions with the Chase Lenders to restructure the Original Credit Facility, as amended, and to obtain additional liquidity.

16. On September 9, 1999, the Debtors and the Chase Lenders amended and restated the Original Credit Facility in order to expand the total facility to \$110 million (the "September 9th Amendment"). In consideration for the September 9th Amendment, the Debtors granted to the Chase Lenders a security interest in certain real properties and all personal property, including accounts receivable and inventory. On October 5, 1999, the Chase Lenders extended the previously scheduled expiration of the waiver period from October 5, 1999 to October 15, 1999. The Debtors continued their discussions with the Chase Lenders with respect to restructuring their indebtedness and obtaining additional liquidity.

17. As a result of the Debtors' financial performance in the second quarter of 1999, the Debtors were not in compliance with several financial covenants under the Original Credit Facility, as amended. On October 18, 1999, the Chase Lenders and the Debtors agreed to restructure and expand the Original Credit Facility, as amended, and entered into the Amended and Restated Credit Agreement (the "Amended and Restated Credit Facility").² The Amended and Restated Credit Facility consisted of two tranches: "Tranche A" is a \$30 million revolving credit facility which converts into a term loan on December 29, 2000 after which time amounts which are repaid may not be reborrowed; "Tranche B"

² The provisions of the Amended and Restated Credit Agreement are only summarized herein. Reference should be made to the Amended and Restated Credit Agreement for terms.

is a \$100 million term loan. The proceeds of the loans made by the Chase Lenders to the Debtors under the Amended and Restated Credit Facility were to be used to fund various ongoing construction projects and for working capital purposes.

18. Under the Amended and Restated Credit Facility, the Chase Lenders were granted a security interest in certain of the Debtors' assets (subject to certain existing liens and other permitted encumbrances and excluding certain non-assignable assets), including, without limitation, real property, personal property, tangible property and intangible property, partnership and joint venture interests, all accounts, inventory and equipment. In addition, Family Golf pledged to the Chase Lenders all of the stock of its domestic subsidiaries and 66% of the stock of its foreign subsidiaries.³

19. On or about January 28, 2000, the Debtors received a waiver from the Chase Lenders under the Amended and Restated Credit Facility, waiving among other things, compliance with certain financial tests for the period of December 31, 1999 through March 31, 2000. On March 31, 2000, the Debtors received an additional waiver (the "May 5th Waiver") from the Chase Lenders that waived the Debtors' compliance with certain financial tests from April 1, 2000 through May 5, 2000.

³ In connection with the Amended and Restated Credit Agreement, the Debtors also issued warrants to the Chase Lenders for 10% of the outstanding common stock of Family Golf on a fully-diluted basis.

20. As of April 30, 2000, the total principal amount of indebtedness owed by the Debtors to the Chase Lenders under the Amended and Restated Credit Facility was approximately \$126,753,000, together with interest, costs and attorneys' fees. The Debtors believe that the Chase Lenders are substantially undersecured.

21. On May 2, 2000, Chase, as agent on behalf of the Chase Lenders, sent the Debtors a notice of default and demand for acceleration of payment under the Amended and Restated Credit Facility (the "Chase Default Notice"). The Chase Default Notice notified the Debtors that their failure to make the payment of interest under the Amended and Restated Credit Facility that was due and payable on May 1, 2000 constituted an event of default. Further, the Chase Default Notice also advised the Debtors that, as a result of their failure to pay interest, an event of default had occurred with respect to the Debtors' convertible subordinated notes (described below) and the Debtors were not permitted to pay principal or interest on the notes.

Convertible Subordinated Notes

22. During the fourth quarter of 1997, Family Golf issued \$115 million aggregate principal amount of 5¾% convertible subordinated notes (the "Notes"). The Notes mature on October 15, 2004 and bear interest at the rate of 5¾% per annum, payable semi-annually. The Notes are unsecured and subordinated to all present and future senior indebtedness (as defined in the Subordinated Note Indenture governing the Notes) of Family Golf

(except debts owed by Family Golf to its subsidiaries). The Notes are redeemable at the option of Family Golf at any time after October 15, 2000, in whole or in part, at declining premiums together with accrued and unpaid interest. The Notes are convertible at the option of the holder into common stock of Family Golf at any time prior to maturity, unless previously redeemed or repurchased, at a conversion price of \$24.83 per share, subject to adjustment.

23. As discussed above, the Debtors received the May 5th Waiver from the Chase Lenders under the Amended and Restated Credit Facility. Among other things, the May 5th Waiver required that the Debtors operate through May 5, 2000 in strict accordance with a budget. This budget did not permit the payment of interest under the Notes, which was due and payable on April 15, 2000, subject to a 30-day grace period.

24. In addition, as discussed below, as a result of the Debtors' failure to make an interest payment that was due and payable on May 1, 2000 under the Amended and Restated Credit Facility with the Chase Lenders, the Debtors were notified by the Chase Lenders in the Chase Default Notice that all payments on the Notes (including the interest payment described above) were prohibited.

ChinaTrust Bank (U.S.A.) Facility

25. In June 1999, Family Golf entered into a loan agreement with ChinaTrust Bank (U.S.A.) ("ChinaTrust") providing for up to an \$8.0 million term loan, secured by a mortgage on two

of the Debtors' properties. The loan matures in July 2005. In exchange for a \$35,000 fee, the Debtors received a waiver from ChinaTrust of certain financial tests under this loan for the year ended December 31, 1999. That waiver expires by its terms on May 5, 2000. As of April 30, 2000, approximately \$6 million of indebtedness was outstanding under this loan.

ChinaTrust Commercial Bank (New York Branch) Facility

26. In July 1999, Family Golf entered into a loan agreement with ChinaTrust Commercial Bank (New York Branch) ("ChinaTrust NY") providing for a \$10 million term loan secured by a leasehold mortgage on the Englewood, California site. The loan matures in July 2004. In exchange for a \$25,000 fee, the Debtors received a waiver from ChinaTrust NY of certain financial tests under this loan for the year ended December 31, 1999. That waiver expires by its terms on May 5, 2000. As of April 30, 2000, approximately \$10 million of indebtedness was outstanding under this loan.

Bank of America N.A. Facility

27. On June 30, 1999, the Debtors entered into a Modification Agreement with Bank of America (N.A.) ("BOA") (formerly known as NationsBank, N.A.), whereby in exchange for a \$2 million payment of principal and a \$40,000 extension fee, BOA agreed to extend the maturity of four secured term loans aggregating \$6.1 million until August 31, 1999. On August 12, 1999, the Debtors again entered into a Modification Agreement with BOA, whereby in exchange for an increase in the interest

rate and a \$15,000 extension fee, BOA agreed to extend the maturity of its four secured term loans to October 5, 1999, which was later extended to November 12, 1999. On November 12, 1999, the Debtors entered into an Amended and Restated Master Loan Agreement with BOA. The loan matures on March 1, 2001. As of April 30, 2000, approximately \$5.6 million of indebtedness was outstanding under this loan.⁴

28. On May 2, 2000, BOA sent the Debtors a notice of default and demand for acceleration of payment under the Amended and Restated Master Loan Agreement (the "BOA Default Notice"). The BOA Default Notice notified the Debtors that their failure to make the monthly payment of principal and interest that was due and payable on May 1, 2000 constituted an event of default under the Amended and Restated Master Loan Agreement. Further, the BOA Default Notice also advised the Debtors that a cross-default had occurred under the Amended and Restated Credit Facility with the Chase Lenders.

Other Outstanding Indebtedness

29. In addition to the financing arrangements described above, the Debtors have a number of other loans outstanding that are secured by mortgages on several of the Debtors' properties. These financing arrangements include a secured loan with Orix U.S.A. that matures on May 16, 2000 and

⁴ In connection with the Amended and Restated Master Loan Agreement, the Debtors also issued to BOA warrants to purchase up to 100,000 shares of the common stock of Family Golf.

requires the Debtors to repay approximately \$2.7 million in principal at that time.⁵ The amounts outstanding on the other loan arrangements total approximately \$42 million. The Debtors believe that all of the secured loans other than those by the Chase Lenders under the Amended and Restated Credit Facility are each fully secured.

The Debtors' Need For Postpetition Financing

30. The Debtors' principal assets are their golf, ice skating and family entertainment centers. From 1994 through 1998, the Debtors expanded their business. The Debtors made a number of acquisitions in 1998, as well as significant facility enhancements. In addition, in the first half of 1999, retail merchandise was added to pro shops and additional employees and management were hired to integrate these facilities and to prepare for the 1999 golf season. The Debtors' performance over the last fiscal year, however, was below expectations, and the Debtors faced a liquidity crisis during the second half of 1999. That liquidity crisis negatively impacted their revenues and limited, in particular, the Debtors' ability to obtain current product from vendors, maintain adequate funds for advertising, and allay customer concerns from negative publicity about the Debtors' fiscal condition.

31. The Debtors have determined, in the exercise of their sound business judgment, that the availability of a

⁵ Mr. Chang is a guarantor of the loan made by Orix to the Debtors.

postpetition credit facility that permits the Debtors to obtain up to \$15 million in new funds is critical. One concern of the Debtors is the need to demonstrate promptly to trade creditors that the Debtors are a viable enterprise and will have sufficient funds to operate on a postpetition basis. Historically, the second and third quarters have accounted for a greater portion of the Debtors' revenues than the first and fourth quarters of the year.

32. Another primary concern of the Debtors is to ensure that the Debtors will have sufficient cash to cover their day-to-day operations while they negotiate the sales of certain assets, as currently is the Debtors' plan. Prior to the Filing Date, the Debtors determined that in order to ensure their businesses would generate consistent positive cash flows, the Debtors had to dispose of various properties, including non-core and underperforming assets.⁶ Another benefit to the Debtors' proposed financing package is that it provides the Debtors with a committed line of credit at the outset of their chapter 11 cases and ensures that the Debtors will not be forced to sell these assets under distressed conditions. Without the added assurance of the Postpetition Financing in place, the Debtors' ability to preserve the going-concern value of their businesses will evaporate almost immediately. The preservation of the Debtors'

⁶ In that connection, as part of their efforts to dispose of these properties, the Debtors have filed a motion on the Filing Date seeking to retain the services of Keen Realty Consultants Inc. as special real estate consultant.

going-concern value will be critical to a successful reorganization.

33. To achieve these ends, the Debtors have arranged for a financing arrangement with the Postpetition Lenders, and seek this Court's approval for that facility. Under the Postpetition Financing, the Debtors, subject to the approval of this Court, will be able to borrow up to \$15 million. At the request of the other Postpetition Lenders, Mr. Chang,⁷ the Chairman and CEO of the Debtors, is providing up to \$1 million of the Postpetition Financing in order to demonstrate his support and his confidence in the ultimate reorganization of the business. As a DIP Lender, Mr. Chang receives a proportionate amount of the fees (described below) that are to be paid under the Postpetition Financing. If either the Chase Lenders or any other party-in-interest expresses reservations or objections regarding Mr. Chang's acting as a lender under the Postpetition Financing, Mr. Chang is willing to withdraw and will not be a part of the Postpetition Financing. In that case, the other Postpetition Lenders will provide the full \$15 million financing commitment of the Postpetition Financing, and Mr. Chang will disgorge and deliver to the other Postpetition Lenders all fees he has received.

The Debtors' Search for Sources of Lending

⁷ Mr. Chang also is currently a member of the Metropolitan Regional Advisory Board of Chase and has received compensation from Chase in that capacity.

34. Prior to the Filing Date, the Debtors had numerous and lengthy discussions with the Chase Lenders in an effort to obtain additional liquidity and waivers under the Amended and Restated Credit Facility and with the Non-Chase Lenders in an effort to obtain waivers and/or extensions of their respective loan agreements. When the Debtors were unable to secure waivers and/or extensions and the Debtors determined that they would potentially have to file their chapter 11 petitions, the Debtors solicited proposals from the Non-Chase Lenders and various other lending sources, including asset-based lenders. The Chase Lenders submitted a proposal to provide postpetition financing to the Debtors, but only on the basis that the postpetition liens granted thereunder prime any liens held by them. In addition, various lenders, including the Postpetition Lenders, submitted proposals to provide postpetition financing which the Debtors also considered. The Debtors determined that the financing package proposed by the Postpetition Lenders was the best available financing. Among other things, under the Postpetition Lenders' proposal, the liens granted to the Postpetition Lenders would not prime any valid and perfected liens held by the Chase Lenders or the Non-Chase Lenders. Accordingly, prior to the Filing Date, the Debtors and the Postpetition Lenders engaged in extensive good faith, arm's length negotiations. These negotiations culminated in the Postpetition Lenders' agreement to provide postpetition financing to the Debtors on the terms and conditions set forth in the Financing Agreement.

35. While the Debtors have arranged for and agreed to the terms of the Postpetition Financing out of necessity, the Debtors recognize that they have enjoyed a long-standing relationship with the Chase Lenders and the Non-Chase Lenders and would welcome any competitive proposal from those Lenders which matches or beats the Postpetition Lenders' proposal. To that end, the Debtors provided the Chase Lenders with a draft of the Interim Order and copy of the executed commitment letter between the Debtors and the Postpetition Lenders in an attempt to further solicit a postpetition financing arrangement with them. As discussed in more detail below, by making the arrangements for postpetition financing with the Postpetition Lenders, the Debtors are fulfilling their duties to their creditors and equityholders to attempt to achieve a successful reorganization in the most cost-effective manner.

The Proposed Postpetition Financing

36. As set forth in the Financing Agreement attached to this Motion as Exhibit A, the Postpetition Lenders have agreed to provide to the Debtors up to \$15 million in postpetition financing to be used to fund their working capital needs. All loans shall bear interest at the rate of 10.50% per annum, payable on a monthly basis in arrears.

37. Under the Amended and Restated Credit Facility, the Chase Lenders hold a prepetition lien on the Debtors' inventory, accounts receivable and certain of their other assets. In addition, the other Non-Chase Lenders set forth in Exhibit D

hold first priority liens on various properties of the Debtors. The Postpetition Lenders will not prime any first priority valid and perfected senior liens of the Chase Lenders or the Non-Chase Lenders. Rather, according to the Financing Agreement, the Postpetition Lenders will be granted a first priority lien on assets which are unencumbered by any valid, perfected and unavoidable, and a subordinate lien on assets which are encumbered by valid and perfected liens which are not avoidable.

38. The Debtors believe that there are a number of leasehold, fee and concession interests held by the Debtors as to which the Chase Lenders have either not been granted or have duly perfected a valid security interest. A schedule of such interests is attached hereto as Exhibit B. To the extent that the Chase Lenders may have been granted a security interest in such interests, but have failed to perfect their security interest therein, their liens are avoidable.

39. Moreover, to the extent that the Chase Lenders believe that they have a lien on these properties which turns out to be perfected, the Debtors should be permitted under section 364(d) of the Bankruptcy Code to grant a lien to the Postpetition Lenders that is senior to the lien of the Chase Lenders on these properties because (1) the Debtors are unable to obtain credit otherwise, and (2) adequate protection is being provided to the Chase Lenders under section 361 of the Bankruptcy Code in the form of replacement liens to the extent the Chase Lenders hold valid and perfected liens.

40. Accordingly, for their postpetition borrowings, the Debtors will, subject to the authorization and approval of this Court, pursuant to section 364(c) or, if appropriate, section 364(d) of the Bankruptcy Code, grant the Postpetition Lenders:

(a) a first priority lien, pursuant to section 364(c)(2) of the Bankruptcy Code, on certain fees, leasehold interests and concession interests for the properties listed on Exhibit B to this Motion;

(b) a first priority lien, pursuant to section 364(c)(2) of the Bankruptcy Code, on all avoidance actions under section 544 through 550 of the Bankruptcy Code;

(c) a first priority lien, pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code, subject to the Permitted Liens, on all of the Debtors' now owned or hereafter acquired assets, and any proceeds of such assets, along with those of the Debtors' subsidiaries; and

(d) superpriority administrative expense claim status under section 364(c)(1) of the Bankruptcy Code, in each case subject to a "Fee Carve Out", as to two types of indebtedness, to which the Postpetition Lenders will be subordinate, in an amount not to exceed \$1 million in the aggregate (the "Fee Carve-Out"):

(i) fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6); and

(ii) allowed fees and expenses payable to professionals retained in these chapter 11 cases pursuant to sections 327 and 1103 of the Bankruptcy Code.

41. Notwithstanding the foregoing, the Debtors should be permitted, as the cases go along, to:

(a) pay interim compensation and reimbursement of expenses to professionals allowed and payable under sections 330 and 331 of the Bankruptcy Code, as may be authorized by the Court; and

(b) fund, in the ordinary course of business, normal operating costs and administrative expenses, including, without limitation, costs and expenses necessary to operate subsidiaries of the Debtors.

42. Under the terms and conditions of the Financing Agreement, only \$10 million of the Postpetition Financing will be made available to the Debtors until the Postpetition Lenders have perfected their liens in the assets of the nondebtor subsidiaries of the Debtors located in Canada.

43. The Postpetition Financing will mature upon the earlier of (i) the consummation of a plan of reorganization of any the Debtors, (ii) eighteen months from and after the Filing Date, and (iii) the occurrence of an Event of Default (as such term is defined in the Financing Agreement) which continues

unremedied beyond any applicable grace period (the "Maturity Date"). There is a prepayment penalty of 2% of the principal repaid by the Debtors prior to the Maturity Date.

44. The Postpetition Financing provides for:

(i) a fully earned and nonrefundable closing fee of \$500,000, payable upon the closing of the Postpetition Financing;

(ii) a funding fee payable on the Maturity Date, based upon the maximum outstanding principal balance of the loans made by the Postpetition Lenders to the Debtors during the term of the Postpetition Financing, determined as follows: (a) a funding fee of \$500,000, if the maximum outstanding principal balance totals \$7 million or more but less than \$9 million; (b) a funding fee of \$750,000, if the maximum principal balance totals \$9 million or more but less than \$11 million; (c) a funding fee of \$1 million, if the maximum principal balance totals \$11 million or more but less than \$13 million; and (d) a funding fee of \$1.25 million, if the maximum outstanding principal totals \$13 million or more; and

(iii) an unused line fee of 1.5% per annum payable monthly on the Debtors' unused availability.

45. The Debtors will be permitted a maximum of six drawdowns on the Postpetition Financing, but no more than two draw downs in any month, each of which must be made in multiples of \$100,000, but not to exceed \$5,000,000, upon ten business days notice to the Postpetition Lenders. Notice is not required, however, for the initial drawdown if the initial drawdown occurs within one business day of the entry of the Interim Order and the initial drawdown does not exceed \$4,000,000.

46. The proceeds of the sale of any Collateral (except sales of inventory in the ordinary course of business and obsolete equipment) shall be placed in an interest bearing account as cash collateral (the "Account") for the obligations of the Debtors to the Postpetition Lenders. To the extent that the Chase Lenders or the Non-Chase Lenders assert that they have a lien position in any of the proceeds in the Account, the proceeds shall not be paid over to the Chase Lenders or the Non-Chase Lenders, as applicable, unless and until the Bankruptcy Court enters an order to the effect that the liens asserted by the Chase Lenders or the Non-Chase Lenders, as applicable, are valid, perfected, binding and enforceable against the applicable Debtor.

47. The Debtors believe and submit that the proposed Financing Agreement was negotiated in good faith and at arm's length, with all parties represented by counsel, and is fair and reasonable under the circumstances.

Cash Collateral and Adequate Protection

48. The Cash Collateral of the Chase Lenders and the Non-Chase Lenders (whether existing before or after the Filing Date and including those amounts received, those due and unpaid and those that be due) consists of "Cash Collateral" as such term is defined under section 363 of the Bankruptcy Code. The Chase Lenders and the Non-Chase Lenders have a prepetition lien on the Debtors' inventory, accounts receivable and certain of the Debtors' other assets. The Debtors do not waive the right to contest the validity, perfection or enforceability of any of the Chase Lenders and the Non-Chase Lenders' alleged prepetition liens and security interests in and to any such property.⁸

49. The Debtors need to use the Cash Collateral for postpetition day-to-day operating expenses, and to avoid expenses associated with borrowing under the Postpetition Financing. The Debtors project a positive cash flow for at least the next eighteen months. If the relief requested in this Motion is granted, the Debtors intend to use that positive cash flow to, among other things, pay their employees and purchase new inventory in order to generate new receivables. This will enhance the value of the Debtors' businesses.

50. In an effort to adequately protect the Chase Lenders and the Non-Chase Lenders' interests for the Debtors' use

⁸ Moreover, the Debtors do not believe that the cash generated from much of the Debtors' postpetition business operations is subject to any security interests of the Prepetition Lenders or that such cash constitutes Cash Collateral.

of the Cash Collateral, as requested in this Motion, the Debtors are offering (i) the Chase Lenders replacement liens (the "Postpetition Replacement Liens"), to the extent that the use by the Debtors of their prepetition collateral (including Cash Collateral) results in a decrease in the value of the Chase Lenders' liens in that prepetition collateral, in the form of a first priority lien on, and security interest, in the same type of property of the Debtors presently secured by valid and perfected first priority prepetition liens and security interests, and (ii) the Non-Chase Lenders, current interest payments at the contract rate on their outstanding indebtedness to the extent that the use by the Debtors of their prepetition collateral (including Cash Collateral) results in a decrease in the value of the Non-Chase Lenders' liens in that prepetition collateral.

51. The Debtors believe that the Non-Chase Lenders are fully secured. As such, the Non-Chase Lenders are adequately protected by the payment of current interest at the contract rate on their outstanding indebtedness. Thus, the Debtors' proposal to pay current interest to those lenders maintains the status quo.

52. The Debtors have a critical and urgent need to use the Cash Collateral in their daily business. The Debtors must ensure that they have enough cash on a day-to-day basis to operate their businesses and, in addition, develop a plan of reorganization for a successful emergence from chapter 11.

According to their projections, the Debtors anticipate that they will have a positive cash flow generated by the Debtors' day-to-day business operations for the next eighteen months. Since the Debtors' use of the cash to run the business will result in the value of the business being enhanced, the replacement liens and interest payments adequately protect any of the Chase Lenders or the Non-Chase Lenders holding valid and perfected liens on the prepetition collateral that is used.

53. In addition, the Debtors need to use the Cash Collateral because it is a more cost effective alternative during the Debtors' projected positive cash flow period than borrowing under the Postpetition Financing. Without the use of the Cash Collateral, the Debtors will be seriously and irreparably harmed, resulting in significant losses to the Debtors' estates and their creditors.

Relief Requested

54. The Debtors request entry of an order:

(a) authorizing the Debtors after the Interim Hearing, to obtain on an emergency basis interim Postpetition Financing pursuant to the terms of the Financing Agreement, substantially in the form attached to the Motion as Exhibit A, which provides for up to \$4 million in interim financing for the Debtors;

(b) granting the Postpetition Lenders (i) pursuant to section 364(c)(1) of the Bankruptcy Code, superpriority status with respect to the indebtedness incurred by the

Debtors under the Postpetition Financing (subject to the Fee Carve-Out); and (ii) pursuant to sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code, (A) a first priority lien on certain fee, leasehold and concession interests listed on Exhibit B to this Motion, (B) a first priority lien on all avoidance actions under section 544 through 550 of the Bankruptcy Code, and (C) a first priority lien on all other assets of the Debtors, real and personal, if any whether now owned or hereafter acquired, subject and subordinated only to: (x) any and all valid and perfected senior liens granted to any prepetition lenders of the Debtors existing as of the Filing Date, including, but not limited to the liens of the Chase Lenders under the Amended and Restated Credit Facility, but only to the extent that such liens exist and are valid and perfected liens, plus the Permitted Liens; and (y) the Fee Carve-Out;

(c) modifying the automatic stay provisions of section 362 of the Bankruptcy Code to the extent necessary to permit the Postpetition Lenders to implement the terms and provisions of the Postpetition Financing and the provisions of the Interim and Final Orders;

(d) pursuant to section 363 of the Bankruptcy Code and Rules 4001(b) and 4001(d) of the Bankruptcy Rules, approving the use of the Cash Collateral of the Chase Lenders and the Non-Chase Lenders on an interim and final basis;

(e) authorizing adequate protection in the form of (i) the Postpetition Replacement Liens to the Chase Lenders to the extent that the use by the Debtors of the Chase Lenders' prepetition collateral (including Cash Collateral) results in a decrease in the value of the Chase Lenders' liens in such prepetition collateral; and (ii) current interest payments at the contract rate on the outstanding indebtedness of the Non-Chase Lenders to the extent that the use by the Debtors of the Non-Chase Lenders' prepetition collateral (including Cash Collateral) results in a decrease in the value of the Non-Chase Lenders' liens in such prepetition collateral;

(f) authorizing the Debtors after the Final Hearing to obtain the Postpetition Financing in an amount up to \$15 million, pursuant to the terms of the Financing Agreement; and

(g) scheduling and approving the form and manner of notice of the Final Hearing to consider the relief requested herein.

Applicable Authority

55. Section 105(a) of the Bankruptcy Code provides, in pertinent part, as follows:

(a) The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, sua sponte, taking any action or making any determination necessary or appropriate to

enforce or implement court orders or rules, or to prevent an abuse of process."

11 U.S.C. § 105(a).

56. Section 361 of the Bankruptcy Code provides, in pertinent part, as follows:

When adequate protection is required under section 362, 363, or 364 of this title of an interest of an entity in property, such adequate protection may be provided by -- . . .

(2) providing to such entity an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of such entity's interest in such property; . . .

11 U.S.C. § 361.

57. Section 363 of the Bankruptcy Code provides, in pertinent part, as follows:

(a) In this section "cash collateral" means cash, negotiable instruments, documents of title, securities, deposit accounts, or other cash equivalents whenever acquired in which the estate and an entity other than the estate have an interest and includes the proceeds, products, offspring, rents, or profits of property and the fees, charges, accounts or other payments for the use of occupancy of rooms and other public facilities in hotels, motels, or other lodging properties subject to a security interest as provided in section 522(b) of this title, whether existing before or after the commencement of a case under this title.

* * *

(c)(1) If the business of the debtor is authorized to be operated under section . . . 1108 . . . of this title and unless the court orders otherwise the trustee may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business, without notice or a hearing and may use property of the estate in

the ordinary course of business without notice or a hearing.

(2) The trustee may not use, sell, or lease cash collateral under paragraph (1) of this subsection unless -

(A) each entity that has an interest in such cash collateral consents or

(B) the court, after notice and a hearing, authorizes such use, sale or lease in accordance with the provisions of this section.

(3) Any hearing under paragraph (2)(B) of this section may be a preliminary hearing . . . but shall be scheduled in accordance with the needs of the debtor. If the hearing under paragraph (2)(B) of this subsection is a preliminary hearing, the court may authorize such use, sale, or lease only if there is a reasonable likelihood that the trustee will prevail at the final hearing under subsection (e) of this section. The court shall act promptly on a request for authorization under paragraph (2)(B) of this subsection.

* * *

(e) Notwithstanding any other provision of this section, at any time, on request of an entity that has an interest in property used, sold, or leased, or proposed to be used, sold or leased, by the trustee, the court, with or without a hearing, shall prohibit or condition such use, sale or lease as is necessary to provide adequate protection of such interest.

11 U.S.C. § 363.

58. Section 364 of the Bankruptcy Code provides, in pertinent part, as follows:

(c) If the trustee is unable to obtain unsecured credit allowable under section 503(b)(1) of this title as an administrative expense, the court, after notice and hearing, may authorize the obtaining of credit or the incurring of debt --

(1) with priority over any or all administrative expenses of the kind specified in section 503(b) or 507(b) of this title;

(2) secured by a lien on property of the estate that is not otherwise subject to a lien; or

(3) secured by a junior lien on property of the state that is subject to a lien.

(d)(1) The court, after notice and a hearing, may authorize the obtaining of credit or the incurring of debt secured by a senior or equal lien on property of the estate that is subject to a lien only if --

(A) the trustee is unable to obtain such credit otherwise; and

(B) there is adequate protection of the interest of the holder of the lien on the property of the estate on which such senior or equal lien is proposed to be granted.

11 U.S.C. § 364.

59. Rule 4001 of the Bankruptcy Code provides, in pertinent part, as follows:

(b) Use of Cash Collateral.

(1) *Motion; Service.* A motion for authorization to use cash collateral shall be made in accordance with Rule 9014 and shall be served on any entity which has an interest in the cash collateral, on any committee elected pursuant to § 705 or appointed pursuant to § 1102 of the Code or its authorized agent, or, if the case is a . . . chapter 11 reorganization case and no committee of unsecured creditors has been appointed pursuant to § 1102, on the creditors included on the list filed pursuant to Rule 1007(d), and on such other entities as the court may direct.

(2) *Hearing.* The court may commence a final hearing on a motion for authorization

to use cash collateral no earlier than 15 days after service of the motion. If the motion so requests, the court may conduct a preliminary hearing before such 15 day period expires, but the court may authorize the use of only that amount of cash collateral as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing.

* * *

(c) Obtaining Credit.

(1) *Motion; Service.* A motion for authority to obtain credit shall be made in accordance with Rule 9014 and shall be served on any committee elected pursuant to § 705 or appointed pursuant to § 1102 of the Code or its authorized agent, or if the case is a . . . chapter 11 reorganization case and no committee of unsecured creditors has been appointed pursuant to § 1102, on the creditors included on the list filed pursuant to Rule 1007(d), and on such other entities as the court may direct. The motion shall be accompanied by a copy of the agreement.

(2) *Hearing.* The court may commence a final hearing on a motion for the authority to obtain credit no earlier than 15 days after service of the motion. If the motion so requests, the court may conduct a hearing before such 15 day period expires, but the court may authorize the obtaining of credit only to the extent necessary to avoid immediate and irreparable harm to the estate pending a final hearing.

Fed. R. Bankr. P. 4001.

60. As a result, the Court is authorized to grant the relief requested in this Motion.

Best Interests of the Estates

61. Authorizing the Debtors to proceed with the proposed financing package on an interim and final basis is in the best interests of the Debtors, their estates and their creditors. As previously noted, permitting the Debtors to use the Cash Collateral permits the Debtors to access the revenues they need to operate on a postpetition basis and allows the Debtors to avoid the costs associated with postpetition borrowing. However, while the use of Cash Collateral is clearly important, it cannot serve as the Debtors' only potential source of liquidity. The Debtors need an alternative source that will provide the Debtors with sufficient liquidity in the event of an unexpected business downturn. Funding this type of back-up liquidity is one purpose of the Postpetition Financing. In addition, the availability under the Postpetition Financing will demonstrate to the Debtors' trade creditors, customers and employees that the Debtors are a strong and viable business. Without the Postpetition Financing, the Debtors could not continue to conduct their business on a positive cash flow basis and would be unable to maximize their ongoing business value for the benefit of all creditors. Likewise, authorization to use the Cash Collateral on an interim and final basis for the preservation of the business will benefit secured creditors, unsecured creditors and the Debtors alike.

62. For all of the foregoing reasons, the relief requested is in the best interests of the Debtors, their estates and their creditors.

Interim Relief Pending the Final Hearing

63. The urgent need to preserve the Debtors' business and avoid immediate and irreparable harm to the estates, as set forth in this Motion, makes it imperative that the Debtors be authorized to obtain authority to borrow funds pursuant to the terms and conditions of the Financing Agreement as of the Filing Date, pending the Final Hearing. As noted above, the Debtors need funds for their day-to-day operations. Additionally, at this stage of their chapter 11 cases, it is critical that the Debtors maintain the confidence of suppliers and customers in their ability to meet their obligations and to continue to conduct their business. The denial of interim financing would irreparably damage the going-concern value of the Debtors' business, and cause substantial prejudice to the estates and their creditors.

64. In addition, the Debtors require immediate use of the Cash Collateral, beginning on the Filing Date, in order to maintain day-to-day operations and to meet all of the administrative expenses of these chapter 11 cases. Consequently, the Debtors' attempt to maximize the value of their estates will be immediately and irreparably jeopardized to the detriment of their creditors if interim relief is not obtained. Accordingly, the Debtors respectfully request that, pending the hearing in

respect of a Final Order, the Interim Order be approved in all respects and that the terms and provisions of the Interim Order be implemented and be deemed binding upon the Chase Lenders and the Non-Chase Lenders.

Notice With Respect to Interim Order

65. Each of the parties set forth below has been provided with telephonic and/or fax notice of this Motion and the proposed Interim Order pursuant to Bankruptcy Rules 4001(c)(1) and 1007(d), and hard copies of the papers upon request: (a) the Office of the United States Trustee; (b) Morgan, Lewis & Bockius, LLP, counsel to Chase, as agent under the Amended and Restated Credit Facility; (c) United States Trust Company of New York, the Indenture Trustee under the 5½% Convertible Subordinated Notes due October 15, 2004; (d) the twenty (20) largest unsecured creditors of the Debtors; (e) any statutory committee of unsecured creditors (or, if retained, its counsel) if and when one is appointed; (f) any landlords (whose contact information currently is known to the Debtors) of the premises listed on Exhibit B to the Motion; and (g) all of the Non-Chase Lenders listed on Exhibit D to the Motion. The Debtors respectfully submit that such notice constitutes appropriate and sufficient notice under Bankruptcy Rule 4001(b) and under the circumstances of this Motion.

Notice With Respect to Final Hearing

66. No trustee, examiner or statutory committee has been appointed in connection with the chapter 11 cases. Pursuant

to Bankruptcy Rule 4001, the Debtors respectfully request that they be authorized to provide notice of the Final Hearing by serving a copy of the Motion together with the Interim Order, by hand or overnight mail or courier service (or for those set up to receive electronic transmissions, by electronic transmission), upon (a) the Office of the United States Trustee; (b) Morgan, Lewis & Bockius, LLP, counsel to Chase, as agent under the Amended and Restated Credit Facility; (c) United States Trust Company of New York, the Indenture Trustee under the 5¼% Convertible Subordinated Notes due October 15, 2004; (d) the twenty (20) largest unsecured creditors of the Debtors; (e) any statutory committee of unsecured creditors (or, if retained, its counsel) if and when one is appointed; (f) any landlords (whose contact information is currently known to the Debtors) of the premises listed on Exhibit B to the Motion; (g) all of the Non-Chase Lenders listed on Exhibit D to the Motion; (h) the United States Attorney for this judicial district; (i) the Securities and Exchange Commission; and (j) all parties-in-interest that have filed requests for notice in these chapter 11 cases. The cost of mailing notice to all creditors in these chapter 11 cases would be extremely expensive, and would not, in the Debtors' view, confer any substantial benefit on the Debtors, their estates or their creditors. Accordingly, and in light of the urgency of the relief requested, the Debtors respectfully request that no further notice of the Final Hearing and of the relief

requested, other than as provided in this Motion, be dispensed with and waived.

Waiver of Memorandum of Law

67. Given the nature of the relief requested in this Motion, the Debtors respectfully request that this Court dispense with and waive the requirement for submission of a memorandum of law contained in Local Rule 9013-1(b).

No Prior Request

68. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors request entry of an Interim Order, substantially in the form attached to this Motion, and granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
May 4, 2000

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